

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Third Reader

Senate Bill 111

(Senator Eckardt)

Education, Health, and Environmental Affairs

Economic Matters

Dorchester County - Alcoholic Beverages - Class A Licenses

This bill authorizes the Dorchester County Board of License Commissioners to issue Class A beer, wine, and liquor (BWL) licenses to holders of Class B and Class D licenses. The bill also authorizes the board to limit the number of Class A BWL licenses it issues. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: None.

Local Effect: Dorchester County revenues increase based on the number of Class A BWL licenses issued as a result of the bill. Monitoring of any additional licenses issued can be handled using existing resources.

Small Business Effect: Minimal overall, but potential meaningful for any small business already holding a Class B or Class D license that obtains a Class A BWL license as a result of the bill.

Analysis

Current Law: The board may issue a Class A beer or Class A beer and wine (BW) license to those already possessing a Class B or Class D alcoholic beverages license. Generally, Class B licenses are held by restaurants and Class D licenses by bars and taverns.

Background: In fiscal 2018, there were a total of 90 alcoholic beverage licenses issued in Dorchester County. **Exhibit 1** shows the total number of licenses in each category.

Exhibit 1
Dorchester County Fiscal 2018 Alcoholic Beverages Licenses

<u>License Type</u>	<u>Beer</u>	<u>Beer and Wine (BW)</u>	<u>Beer, Wine, and Liquor (BWL)</u>
Class A	14	16	15
Class B	0	6	26
Class C	0	0	10
Class D	0	3	-
Total	14	25	51

Source: Comptroller's Office

Local Fiscal Effect/Revenues: As of January 2019, Dorchester County anticipates two qualified businesses being interested in applying for a Class A BWL license. Beginning in fiscal 2019, Dorchester County revenues increase by \$2,500 annually for each additional Class A BWL license issued.

Additional Information

Prior Introductions: None.

Cross File: HB 311 (Dorchester County Delegation) - Economic Matters.

Information Source(s): Dorchester County; Comptroller's Office; Department of Legislative Services

Fiscal Note History: First Reader - February 4, 2019
mag/tso Third Reader - April 8, 2019

Analysis by: Thomas S. Elder

Direct Inquiries to:
(410) 946-5510
(301) 970-5510